Owner of Record,

This letter is to notify you that the Grizzly Ranch Community Service District Board of Directors is recommending the implementation of a water service Usage Base Fee and a Usage Volume Fee. These fees will be in addition to the current Standby Fee. These fees are essential for the continued financial health of the District.

Proposed Usage Rates (effective September 1,2021 and July 1<sup>st</sup> of each following year)

|                                     | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 |
|-------------------------------------|----------|----------|----------|----------|----------|
| Annual Base Usage Rate              | \$684    | \$778    | \$933    | \$986    | \$1089   |
| (Includes 3000 gallons per quarter) |          |          |          |          |          |
| Volume Rate (per 1000 gal)          | \$18.88  | \$22.80  | \$25.20  | \$28.20  | \$29.40  |
| Est. Average per User               | \$2,203  | \$2,583  | \$2,915  | \$3,202  | \$3,385  |

See the enclosed Water and Sewer Rate Study for additional details on the current and future System Financials.

The GRCSD Board of Directors will meet on Saturday August 14, 2021, and hold a public hearing to receive public comments on the proposed fees. The meeting will begin at 10:00am at the Grizzly Ranch Outpost, 300 Clubhouse, Portola, California.

As a water user at Grizzly Ranch, you have the right to file a written protest in regards to the proposed water usage fees. Written protests must contain the following information to be considered valid by the GRCSD Board of Directors:

- 1) Clearly state your opposition to the recommended monthly water service rates.
- 2) Your parcel(s) APN number(s).
- 3) An original signature.

Written protests will be accepted at the GRCSD office located at 4375 Grizzly Rd., Suite D. Portola, or by mailing them to Grizzly Ranch CSD, 4456 Grizzly Rd., Portola CA 96122, and at the August 14, 2021 Board meeting, The GRCSD Board of Directors will publicly announce the number of valid protests received and consider the proposed water usage fees. If a majority of Grizzly Ranch water users file valid protests, the water usage fees cannot be implemented.

The Grizzly Ranch Community Service District has the responsibility to provide water and sewer services to the Grizzly Ranch Community. The current water users are not paying for water usage. The cost of providing these services has increased and the district needs to ensure adequate reserves to maintain these services.

If you have questions regarding the proposed usage fees, please contact the General Manager at (530) 832-4716

Larry Smith, General Manager Grizzly Ranch CSD